

# **USDA Jobs Forums – Washington State Report**

## **INTRODUCTION**

In response to President Obama's Forum on Jobs and Economic Growth hosted at the White House in early December, USDA Rural Development and Farm Service Agency held two forums in Washington State to gather ideas about ways to spark job creation and economic growth in rural America.

One session was held in Western Washington on January 26 from 6:30 p.m. until 9 p.m. at the Cowlitz County Expo and Conference Center in the City of Longview, with a second session held in Eastern Washington on January 28 from 6:30 p.m. until 9 p.m. at the Perry Technical Institute in Yakima. These sessions were in a simple town hall meeting format. Hosting both sessions was Mario Villanueva, USDA Rural Development Washington State Director, and Judy Olson, Farm Service Agency State Executive Director. Additionally, at the Longview session, Ted Sprague, President of the Cowlitz County Economic Development Board (EDC) provided a brief overview of the current state of the economy in Cowlitz County, which has some of the highest unemployment in Washington State. At the Yakima session, David McFadden, President for the Yakima County Development Association provided a brief overview of the economy in the agricultural based Yakima Valley.

Following the brief introductions and overviews, a short video was message from Kathleen Merrigan, USDA Deputy Secretary, was shown before the sessions were opened up to public comment.

## **SUMMARY**

Both sessions were professionally videotaped. Approximately 50 people attended the Longview session, with 10 people providing public comment. Approximately 40 people attended the Yakima forum, with half providing public comment. Additional comment was gathered through email and from written notes provided by participants.

In Western Washington, Amanda Delapena, for Congressman Brian Baird, 3rd Congressional District; Theresa Wagner for U.S. Senator Patty Murray; and Kimberly Pincheri for U.S. Senator Cantwell attended the forum on January 26 in Longview. In Eastern Washington, Ryan Roruck, for Congressman Doc Hastings, 4th Congressional District, Rebecca Thornton and Erin Vincent for U.S. Senator Patty Murray, attended the forum on January 28 in Yakima. Additionally, state officials, city managers and city council members, county commissioners, bankers, educators, businessmen and women, participated in both forums.

In both sessions, the six questions posed by the White House were distributed beforehand so participants could have the option to write down their comments instead of speaking publically. Additionally, comments were solicited through the USDA Rural Development website and gathered through email. Below is a summary response to each of those

questions as well as input on what steps that USDA and government could take to develop businesses in rural America and encourage innovative approaches to increase economic opportunity.

## **Questions**

**1. From what we have discussed today, from what you have seen, or what you have seen reported about the President's Jobs Forum, and the administration's approach to job creation overall, what seems relevant to your community?**

- Nothing. It is all sophistry... He is totally clueless... - Arne Mortensen, Kelso
- We need jobs that send products overseas – Jerry Reagor, Kelso
- Financing more infrastructure and energy efficiency projects; extending unemployment insurance benefits – Libby Odden, Longview
- Inventory and demand; energy stimulus/clean tech/energy efficiency/smart grid investments. – Terry Lawhead, Spokane
- Need access to capital; funding for infrastructure; workforce training and development. – Dave McFadden, Yakima County Development Association
- Nothing the Administration has done to create jobs is relevant to our community. Any job created is a government job; liability to taxpayer. Where is money for actual job creators? – Marilyn McGhee

**2. What parts of your local economy are working or thriving? What businesses and sectors are expanding and hiring?**

- Healthcare industry is hiring nurses, nurse practitioners, etc. – Mary Brown, Cowlitz County
- Grocery stores and government – Gail Egner, Castle Rock.
- Government produces nothing and kills incentive - Philip Shanteau, Castle Rock
- There are numerous people who are attempting to start new businesses. The reality is that no financing is available for that purpose. If there were local funds available, there might be more businesses starting up. – Susan Hoosier, SBDC Advisor, Cowlitz County.
- Small scale organic farming. – Wahkiakum County
- Public Jobs – Jerry Reagor, Kelso
- Port export grains, logging reality shows! Forget the industrial parks! Give it up. Use Kalama! - Cowlitz County
- Medical sector is working and ports are operating successfully – Libby Odden, Longview
- Tourism – we need to be able to keep roads open, easy to use. If we could get a loop road south into Quileute/Forks, we can open up more tourism in that travelers like to loop, rather than having to go in and double back as they do now. – Bud Denny, Makah Indian Tribe.
- Pulp Paper/packaging; New grain export with current grain exporters reinvesting – Bob Gregory, City Manager, City of Longview

- Retail – big box stores – Zita Nyitrai, Longview
- Very little now/ Bailout mostly; government at every level. - Al Wilson, Longview
- Pulp and paper picking up; good education – good public school – LCC community Action Council is a fantastic resource. – Mike Haas, Kelso
- Agriculture – wineries are in holding pattern. – Deb Heintz, Prosser EDA, Benton County
- Clean Tech/community based weatherization - Terry Lawhead, Spokane
- Agriculture, although storm clouds are gathering; healthcare. – Dave McFadden, Yakima County Development Association
- Possibly healthcare (and government jobs only) only public agencies receive and waste our dollars. Money go to subsidize, subsidize, subsidize non profits and public agencies. – Marilyn McGhee

**3. What parts of your local economy are not working or thriving? What businesses and sectors have been hit the hardest? What are people struggling with the most?**

- Wood products industry/housing industry has been hit very hard. – Mary Brown, Cowlitz County
- No high tech jobs... Arne Mortensen, Kelso
- Many restaurants and retail. – Gail Egner, Castle Rock
- Construction – Philip Shanteau, Castle Rock
- Main street businesses are on the edge of failing. Access to capital is not available. Many of these business owners are late 50s and 60s and they recognize that for all practical purposes are unemployable. They have no assets left and in many cases, no retirement funds. I see this situation as being the next storm that we will be dealing with. – Susan Hoosier, SBDC Advisor, Cowlitz County.
- Discretionary retail spending continues to suffer – Wahkiakum County
- The working people, Jerry Reagor, Kelso
- The statistics of low income, unemployment and food in security were high here in 2007. It has gotten worse in employment and housing. – unknown
- Factory workers; Hawaii garbage – USDA holdup; paper manufacturing; Construction – need housing boost to continue. – Cowlitz County
- Construction, home sales have declined, home values down; production, financing for small business – Libby Odden, Longview
- Forestry, housing building dorm. Fisheries over regulated. Sanctuary would like to close us down completely. State has a plan to make it a “environmentally protected area. That would be devastating to our economy. – Bud Denny, Makah Indian Tribe.
- Construction, Timber, Wood products - City Manager, City of Longview
- Industrial industry (Reynolds Aluminum Plant Shutdown); fiber being sold to Canada, Weyerhaeuser - – Zita Nyitrai, Longview
- Small, medium, large businesses – over taxation, fees, licensing by government agencies - Al Wilson, Longview
- Construction & Housing - Mike Haas, Kelso
- Education cuts by state; restaurants in particular, but all small businesses are struggling. Fruit processing plants competing globally are losing the

battle due to cheaper products and labor overseas. – Deb Heintz, Prosser EDA, Benton County

- Infrastructure (railroads & water); manufacturing/retail; education costs. Terry Lawhead, Spokane
- Retail – lack of consumer spending; manufacturing – tight credit; construction – international competition. . – Dave McFadden, Yakima County Development Association
- Construction and any industry that must deal with EPA or Department of Ecology they despise industry or manufacturers of any kind. – Marilyn McGhee
- 

**4. What are the opportunities for growth in your community? What businesses and sectors seem poised to rebound? What do you see as the “jobs of the future?”**

- A myriad of bureaucratic rules; A stable currency; enforceable contract law; much reduced regulation. – Arne Mortensen, Kelso
- Stop export of raw logs. Export lumber and plywood – Philip Shanteau, Castle Rock
- Underground businesses are becoming more of a factor, causing more competition for those businesses that are trying to operate legitimately. – Susan Hoosier, SBDC Advisor, Cowlitz County.
- Tourism and related business opportunities, food service, service sector, etc. – Wahkiakum County.
- Paper and lumber – Jerry Reagor, Kelso
- There is no longer glass recycle – there should be. – Unknown\
- Retirement – mine; small business location, location, location; transportation! The River! Develop the (Kalama) River! Water related industry; sport fishing vs commercial fishing. – Cowlitz County.
- Small business – green industries; organic farming may be poised to rebound – Libby Odden, Longview
- We have some great opportunities for alternative energy. We need to increase the loads that can be carried off the reservation. With increased load capability, we could attract small industries where we might be able to offer tax breaks. - – Bud Denny, Makah Indian Tribe.
- Energy – Biomass/renewable energy, fossil fuel; export/import - ports; manufacturing – strong unemployed and underemployed skilled workforce - City Manager, City of Longview
- Railroad transportation; Port of Longview; Shipping and transportation - – Zita Nyitrai, Longview
- Everywhere there is need/Government at every level/service jobs: medical – as US retires; high tech, not green. - Al Wilson, Longview
- Bio energy – wood - Mike Haas, Kelso
- Need more arts and culture, fine lodging and fine dining to draw more wine country tourists. Need to beautify downtown Yakima to make it a more attractive place to visit and to invest in. -Yakima Resident
- Value added agriculture processing and products. – Deb Heintz, Prosser EDA, Benton County

- Bio-fuels (Aviation jet fuel); “green” is pervasive, no “green jobs”; green is misunderstood; regional food production; regional renewable energy  
Terry Lawhead, Spokane
- Healthcare, warehouse/distribution, agriculture, small business/entrepreneurs – this is our future source of jobs. We also have limited potential for green jobs in the Yakima Valley. - . – Dave McFadden, Yakima County Development Association
- Healthcare, Pension Plan, Family Leave Act; Jobs of the future? – Correct PC answer “Green Jobs” (whatever they are!); (1) tax credits; (2) direct loans to for-profit (actual) businesses; (3) less regulation; (4) low-interest loans. – Marilyn McGhee

**5. What are the obstacles to job creation in your community? What could make local businesses more likely to start hiring?**

- Not enough incentives and difficult to obtain funding. – Mary Brown, Cowlitz County.
- Lack of long-term stable funding sources, eg, uncertainty about federal transportation funding prevents contractors from investing in equipment and hiring because they do not know when the next jobs are coming down the pipeline. Page Scott, Executive Director Yakima Valley Conference of Governments
- Regulations and too many government agencies. – Gail Egner, Castle Rock
- Permits - are we in the land of the fee? Reduce start up fees and operating fees. – Philip Shanteau, Castle Rock
- Reinstitute an investment tax credit for new capital investment (in the 1980s, 10 percent investment were credited against federal income tax).
- We need investment credit Now! – Jerry Reagor, Kelso
- Imagination – EDCC stuck in the past. Ted lacks imagination. – Cowlitz County
- We need a micro-loan program to assist with start up. – Libby Odden, Longview
- I am working on the development of a small business. I do want to create multiple jobs. I do want to support the local company and economy. However, I am told by multiple people at economic development districts and commercial lenders that there is no money available for loans to small businesses. I believe this is understood by many within state and federal government. Several comments were made tonight about this also. To allow small start-up business reasonable access to loans will help get business kick started again – Ken McFarland, Longview.
- Loop was closed a long highway 101 from Port Angeles to Forks and south for a fiber optic line. We need this to be extended into Neah Bay. – Bud Denny, Makah Indian Tribe.
- Transportation infrastructure – rail/highways; financing/credit - City Manager, City of Longview
- Opportunities, small businesses and start ups struggle with capital; Create a level playing field against corporate businesses that seem to get better breaks (taxes) - – Zita Nyitrai, Longview

- Educational attainment, lack of worker skills, tight credit. Businesses will hire when they are confident in the economy and the tax regulatory environment . – Dave McFadden, Yakima County Development Association
- Not knowing what government at every level is going to do to us (i.e., bailouts to government agencies hiring and BIV(?) Then we support carbon taxes, fees and taxes at all levels. Accountability and responsibility, be a servant of the people - Al Wilson, Longview
- Need affordable health care so people feel free to leave jobs with benefits to start their own business and know they can buy goods affordable coverage that cannot be denied or taken away. -Yakima Resident
- Government red tape – no local banks loaning to small business.
- Lending of credit investments and job training. - Terry Lawhead, Spokane
- (1) Building permits; (2) over-regulation (cap & trade) and taxes; (3) Dept. of Ecology and Gov. Chris Gregoire; (4) Al Gore; (5) Payroll and taxes (L&I, unemployment, social security, Medicare); (6) unions. – Marilyn McGhee

#### **6. What other issues and ideas should the President consider?**

- States bailout – same as the banks – a healthy state economy equals a fast recovery for the entire country equal business confidence, equals employment opportunities – Luy Sigmon, WAFA
- Government has no business in business, so he should leave business alone. Uphold the 10<sup>th</sup> Amendment and the rest of the constitution. – Arne Mortensen, Kelso
- Reduce taxes; end regulators; act responsibly with U.S. Constitution – Gail Egner, Castle Rock
- Government is the problem. – Philip Shanteau, Castle Rock
- New inventions – Jerry Reagor, Kelso
- Yes to “The Big Idea” more than resurfacing streets Real Results! Along with jobs now.
- Invest in startups; expanding small businesses. New tech, green housing upgrading solar. – Cowlitz County
- Temporary tax credits for new jobs creation – saving current jobs in small business. – Libby Odden, Longview
- Tax credit ban on family members should be lifted. Tribal entrepreneurs will hire family first, but get no credit for hiring “Indian Family. Moving marine sanctuary personnel closer to the sanctuary. Working with us who have worked longer with marine resources, sharing studies would go a long way; working hand in hand with us keeps them from working against us so much. – Bud Denny, Makah Indian Tribe.
- Have certain requirements that clients need to meet while on the programs; put time restraints on people who are on welfare, receiving government assistance and housing, etc.; we need to break the cycle and make people want to be accountable, people have no incentive to get off the programs and they use it as a crutch. - – Zita Nyitrai, Longview

- (1) Get the illegal's out of the U.S.;(2) Cut middle and upper management; (3)wages, pensions, medical and associates; (4) develop oil reserves on and off shore; (5) Develop nuclear power; (6) put people ahead of small endangered species; (7) Keep the Bush tax cuts; (8) Stop higher death taxes; (9) Cut cost of development fees on a house 12 – 15,000 or more. - Al Wilson, Longview
- Getting capital and burden of taxes. - Mike Haas, Kelso
- Need a big expansion of home and business retrofitting for greater energy efficiency in Yakima. Need an expansion of the state university system into Yakima. -Yakima Resident
- Free up for infrastructure to be issued to ports and cities. Provide incentives to employers to hire minors. – Deb Heintz, Prosser EDA, Benton County
- Infrastructure, healthy food for local food production; micro/hydro Terry Lawhead, Spokane -
- Eliminate the state to state incentive wars; portable job training accounts; keep/strengthen incentives for green energy. . – Dave McFadden, Yakima County Development Association
- Treating capitalists, for-profit businesses, job creators positively (giving tax breaks, credit and some kudos would be nice!). – Marilyn McGhee

**7. Are there specific changes to USDA programs and regulations that could positively impact the development of businesses in Rural America or strengthen current businesses? What innovative ideas should USDA consider to increase economic opportunity in rural areas?**

- Focus less on individual funding programs and more on objectives. Let the professional staff in the agencies figure out how to package the funding sources to make a project happen, not the project proponent. We are not the experts in your programs – you are! The number of funding programs is intimidating. – Page Scott, Executive Director Yakima Valley Conference of Governments.
- There is nothing the USDA can do to help other than to get out of the **way and to support transparency.** – **Arne Mortensen, Kelso.**
- A more agile revolving loan program for small business development and expansion that currently exists in the private banking sector. – Wahkiakum County.
- We are getting comments of the level of fees on guaranteed loans – James Haley, Olympia
- Investment credit, Jerry Reagor, Kelso
- Candy business; start up of agribusinesses; marketing opportunity for small business; fairs and festivals.
- Employment related education needs to be increased; educate small business owners – management of finances; conservation efforts; alternative energy.
- Thanks for the time and efforts (for the Longview Forum) – Ken McFarland, Longview.
- Population threshold for USDA programs is too low that precludes access by our city - City Manager, City of Longview

- “Factory” farming has pretty much monopolized the food industry, pushing out the smaller farmers (Food TNC – excellent documentary.) – Zita Nyitrai, Longview
- Need more development of a Yakima Valley culture of fine locally produced food and wine products; trough “slow-food” festivals, etc. Need better planning and zoning in Yakima to create more attractive, denser urban style commercial and residential development and head off energy and transportation problems. -Yakima Resident
- By the time you invest in filling out grant and loan applications, its not worth the return. Keep electric rates low – this doesn’t mean additional wind turbines. Bring higher education branch campuses into rural communities – Deb Heintz, Prosser EDA, Benton County
- Solving waste issues education; zero waste/food safety; small producers; more slaughter houses, accessible area food production; leverage investments. - Terry Lawhead, Spokane
- Create a secondary market for USDA Loans; help augment funding for federal economic development districts serving rural areas; partner with commerce on its entrepreneurship initiative - . – Dave McFadden, Yakima County Development Association
- Withdraw all the money allocated mainly/only to (1) non-profits; (2) Public agencies (3) Indian Agencies; - All to “fake jobs (not actual jobs) that create more burden on taxpayer in perpetuity. Giving money to government jobs takes money out of actual, true economy. Encourage private capital, not taxpayer money. - – Marilyn McGhee